China Singyes New Materials Holdings Limited
中國興業新材料控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 8073)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of China Singyes New Materials Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

The board of Directors of the Company (the "Board") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2017 with the comparative figures for the corresponding year ended 31 December 2016.

FINANCIAL HIGHLIGHTS

	Year ended 31 December	
	2017	2016
	RMB'000	*RMB'000*
Revenue	**115,823**	90,887
Profit before tax	**17,719**	8,829
Income tax expense	**3,693**	2,448
Profit for the year	**14,026**	6,381
Gross profit margin	**39.0%**	38.3%
Net profit margin	**12.1%**	7.0%
Earnings per share attributable to ordinary equity holders		
— Basic and diluted	**RMB0.034**	RMB0.018

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2017

	Notes	2017 RMB'000	2016 RMB'000
REVENUE	3	**115,823**	90,887
Cost of sales		**(70,646)**	(56,084)
Gross profit		**45,177**	34,803
Other income and gains	4	**3,596**	1,065
Selling and distribution expenses		**(9,618)**	(8,107)
Administrative expenses		**(19,885)**	(17,932)
Other expenses		**(1,551)**	(1,000)
PROFIT BEFORE TAX	5	**17,719**	8,829
Income tax expense	6	**(3,693)**	(2,448)
PROFIT FOR THE YEAR		**14,026**	6,381
OTHER COMPREHENSIVE INCOME:			
Other comprehensive loss not to be reclassified to profit or loss in subsequent years:			
Exchange differences on translation of financial statements		**(2,323)**	(134)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**11,703**	6,247
Profit attributable to:			
Owners of the Company		**14,026**	6,381
Total comprehensive income attributable to:			
Owners of the Company		**11,703**	6,247
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	7	**RMB0.034**	RMB0.018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2017

	Notes	2017 RMB'000	2016 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**39,504**	39,889
Payments in advance		**—**	16
Deferred tax assets	*12*	**877**	646
Total non-current assets		**40,381**	40,551
CURRENT ASSETS			
Inventories		**13,112**	11,896
Trade and bills receivables	*8*	**91,819**	60,073
Prepayments, deposits and other receivables	*9*	**7,119**	6,421
Pledged bank balances		**1,954**	20
Cash and cash equivalents		**85,538**	7,523
Total current assets		**199,542**	85,933
CURRENT LIABILITIES			
Trade and bills payables	*10*	**25,431**	23,104
Other payables and accruals	*11*	**24,556**	21,948
Tax payable		**2,640**	1,801
Provision		**1,312**	1,192
Total current liabilities		**53,939**	48,045
NET CURRENT ASSETS		**145,603**	37,888
TOTAL ASSETS LESS CURRENT LIABILITIES		**185,984**	78,439
NON-CURRENT LIABILITIES			
Deferred income	*13*	**721**	812
Net assets		**185,263**	77,627
EQUITY			
Equity attributable to owners of the Company			
Issued capital	*14*	**32,655**	1
Reserves		**152,608**	77,626
Total equity		**185,263**	77,627

NOTES TO FINANCIAL STATEMENTS

31 December 2017

1. CORPORATE AND GROUP INFORMATION

China Singyes New Materials Holdings Limited (the "Company") is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is located at Unit 3108, 31st Floor, China Merchants Tower, Shun Tak Center, 168-200 Connaught Road Central, Hong Kong.

The Company is an investment holding company. During the year, the Company's subsidiaries were involved in the sale and installation of Indium Tin Oxide ("ITO") film, and the research and development, production, sale and installation of Smart Light-adjusting Film, Smart Light-adjusting Glass and Smart Light-adjusting Projection System in the mainland of the People's Republic of China (the "PRC").

In the opinion of the directors of the Company (the "Directors"), the parent company, the intermediate holding company and the ultimate holding company of the Company are Top Access Management Limited ("Top Access"), China Singyes Solar Technologies Holdings Limited ("Singyes Solar") and Strong Eagle Holdings Limited ("Strong Eagle"), respectively. Both Top Access and Strong Eagle were incorporated in the British Virgin Islands. Singyes Solar was incorporated in Bermuda. The shares of Singyes Solar are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The shares of the Company were listed on the Growth Enterprise Market of the Stock Exchange on 21 July 2017 (the "Listing").

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which comprise standards and interpretations approved by the International Accounting Standards Board (the "IASB"), and International Accounting Standards ("IASs") and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect and the disclosure requirements of the Hong Kong Companies Ordinance (Cap.622). They have been prepared under the historical cost convention. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2017. A subsidiary is an entity, directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investments retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendments to IAS 7	*Disclosure Initiative*
Amendments to IAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses*
Amendments to IFRS 12 included in *Annual Improvements 2014-2016 Cycle*	*Disclosure of Interests in Other Entities: Clarification of the Scope of IFRS 12*

None of the above amendments to IFRSs has had a significant financial effect on these financial statements. Disclosure has been made in note to the financial statements in the 2017 annual report upon the adoption of amendments to IAS 7, which require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRSS

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to IFRS 2	*Classification and Measurement of Share-based Payment Transactions*[1]
Amendments to IFRS 4	*Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts*[1]
IFRS 9	*Financial Instruments*[1]
Amendments to IFRS 9	*Prepayment Features with Negative Compensation*[2]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
IFRS 15	*Revenue from Contracts with Customers*[1]
Amendments to IFRS 15	*Clarifications to IFRS 15 Revenue from Contracts with Customers*[1]
IFRS 16	*Leases*[2]
IFRS 17	*Insurance Contracts*[3]
Amendments to IAS 28	*Long-term Interests in Associates and Joint Ventures*[2]
Amendments to IAS 40	*Transfers of Investment Property*[1]
IFRIC 22	*Foreign Currency Transactions and Advance Consideration*[1]
IFRIC 23	*Uncertainty over Income Tax Treatments*[2]
Amendments to IAS 19	*Employee Benefits*[2]
Annual Improvements 2014-2016 Cycle	Amendments to IFRS 1 and IAS 28[1]
Annual Improvements 2015-2017 Cycle	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23[2]

1 Effective for annual periods beginning on or after 1 January 2018

2 Effective for annual periods beginning on or after 1 January 2019

3 Effective for annual periods beginning on or after 1 January 2021

4 No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below. Of those standards, IFRS 9 and IFRS 15 will be applicable for the Group's financial year ending 31 December 2018 and are expected to have no significant impact upon adoption. Whilst management has performed an assessment of the estimated impacts of these standards, that assessment is based on the information currently available to the Group. The actual impacts upon adoption could be different to those below, depending on additional reasonable and supportable information being made available to the Group at the time of applying the standards.

IFRS 9 *Financial Instruments*

In July 2014, the IASB issued the final version of IFRS 9, bringing together all phases of the financial instruments project to replace IAS 39 and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group will adopt IFRS 9 from 1 January 2018. The Group will not restate comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018. During 2017, the Group has performed an assessment of the impact of the adoption of IFRS 9. The expected impacts relate to the classification and measurement and the impairment requirements are summarised as follows:

(a) Classification and measurement

The Group does not expect that the adoption of IFRS 9 will have a significant impact on the classification and measurement of its financial assets.

(b) Impairment

IFRS 9 requires an impairment on debt instruments recorded at amortised cost or at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts that are not accounted for at fair value through profit or loss under IFRS 9, to be recorded based on an expected credit loss model either on a twelve-month basis or a lifetime basis. The Group will apply the simplified approach and record lifetime expected losses that are estimated based on the present values of all cash shortfalls over the remaining life of all of its trade receivables. Furthermore, the Group will apply the general approach and record twelve-month expected credit losses that are estimated based on the possible default events on its other receivables within the next twelve months. The Group has determined that no material further impairment will be provided upon the initial adoption of the standard.

IFRS 15 ***Revenue from Contracts with Customers***

IFRS 15, issued in May 2014, establishes a new five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under IFRSs. Either a full retrospective application or a modified retrospective adoption is required on the initial application of the standard. In April 2016, the IASB issued amendments of IFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt IFRS 15 and decrease the cost and complexity of applying the standard. The Group will adopt IFRS 15 from 1 January 2018 and plans to adopt the transitional provisions in IFRS 15 to recognise the cumulative effect of initial adoption as an adjustment to the opening balance of retained profits at 1 January 2018. In addition, the Group plans to apply the new requirements only to contracts that are not completed before 1 January 2018. The Group expects that the transitional adjustment to be made on 1 January 2018 upon initial adoption of IFRS 15 will not be material. Also, the expected changes in accounting policies will not have a material impact on the Group's financial statements from 2018 onwards.

The Group's principal activities consist of the sale and installation of ITO film, Smart Light-adjusting Film, Smart Light-adjusting Glass and Smart Light-adjusting Projection System. During 2017, the Group has performed an assessment on the impact of the adoption of IFRS 15 and concluded that no material financial impact exists.

The presentation and disclosure requirements in IFRS 15 are more detailed than those under the current IAS 18. The presentation requirements represent a significant change from current practice and will significantly increase the volume of disclosures required in the Group's financial statements. Many of the disclosure requirements in IFRS 15 are new and the Group has assessed that the impact of some of these disclosure requirements will be significant. In addition, as required by IFRS 15, the Group will disaggregate revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

IFRS 16 *Leases*

IFRS 16, issued in January 2016, replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases — Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two elective recognition exemptions for lessees — leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in IAS 40, or relates to a class of property, plant and equipment to which the revaluation model is applied. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under IFRS 16 is substantially unchanged from the accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between operating leases and finance leases. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17. Lessees can choose to apply the standard using either a full retrospective or a modified retrospective approach.

The Group expects to adopt IFRS 16 from 1 January 2019. The Group is currently assessing the impact of IFRS 16 upon adoption and is considering whether it will choose to take advantage of the practical expedients available and which transition approach and reliefs will be adopted. At 31 December 2017, the Group had future minimum lease payments under non-cancellable operating leases in aggregate of approximately RMB4,243,000. Upon adoption of IFRS 16, certain amounts included therein may need to be recognised as new right-of-use assets and lease liabilities. Further analysis, however, will be needed to determine the amount of new rights of use assets and lease liabilities to be recognised, including, but not limited to, any amounts relating to leases of low-value assets and short term leases, other practical expedients and reliefs chosen, and new leases entered into before the date of adoption.

3. OPERATING SEGMENT INFORMATION AND REVENUE

Revenue represents the net invoiced value of goods, net of various types of government surcharges.

The Group's revenue and contribution to consolidated results are mainly derived from its sale and installation of ITO film, Smart Light-adjusting film, Smart Light-adjusting Glass and Smart Light-adjusting Projection System, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for the purpose of resource allocation and performance assessment. In addition, the principal assets employed by the Group are located in Mainland China. Accordingly, no segment analysis is presented other than entity-wide disclosures.

Entity-wide disclosures

Information about products

The following table sets forth the total revenue from external customers by product and the percentage of total revenue by product during the year:

	2017		2016	
	RMB'000	*%*	***RMB'000***	*%*
ITO film	**15,377**	**13.3**	**13,729**	15.1
Smart Light-adjusting Film	**30,709**	**26.5**	**18,882**	20.8
Smart Light-adjusting Glass	**34,256**	**29.6**	**26,492**	29.1
Smart Light-adjusting Projection System	**28,451**	**24.6**	**23,788**	26.2
Others	**7,030**	**6.0**	**7,996**	8.8
	115,823	**100.0**	**90,887**	100.0

Geographical information

(a) *Revenue from external customers*

	2017		2016	
	RMB'000	*%*	***RMB'000***	*%*
Domestic — Mainland China*	**112,794**	**97.4**	**89,806**	98.8
Others	**3,029**	**2.6**	**1,081**	1.2
	115,823	**100.0**	**90,887**	100.0

* The place of domicile of the Group's principal operating subsidiary is Mainland China. The principal revenue of the Group is generated in Mainland China.

(b) *Non-current assets*

The Group's non-current assets are all located in Mainland China.

Information about major customers

Revenue from each of the major customers, which amounted to 10% or more of the total revenue, is set out below:

	2017	2016
	RMB'000	*RMB'000*
Customer A	**11,970**	N/A
Customer B	*	11,745

* Less than 10%

4. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	2017	2016
	RMB'000	*RMB'000*
Deferred income released to profit or loss *(note 13)*	**91**	76
Bank interest income	**85**	17
Government grants*	**2,000**	600
Foreign exchange gains	**1,341**	346
Sales of scrap materials	**79**	26
	3,596	1,065

* There were no unfulfilled conditions or contingencies relating to these grants.

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2017	2016
	RMB'000	*RMB'000*
Cost of inventories sold	**70,646**	56,084
Employee benefit expense: (including directors' and chief executive's remuneration):		
Wages and salaries and relevant benefits	**12,462**	9,207
Pension scheme contributions	**535**	419
	12,997	9,626
Depreciation	**5,571**	5,058
Research costs	**3,571**	2,206
Minimum lease payments under operating leases	**1,205**	948
Auditor's remuneration	**1,680**	340
Listing fees expensed off	**5,523**	9,696
Impairment loss on trade receivables	**1,513**	924
Loss of disposal of property, plant and equipment	**86**	47
Exchange losses/(gains), net	**1,341**	(346)

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the respective jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of Bermuda, the Group is not subject to any income tax in Bermuda.

The applicable CIT rate for Hong Kong incorporated subsidiary was 16.5% during the year. No provision for Hong Kong profits tax has been made as the Group had no assessable profit derived from or earned in Hong Kong during the year.

During the year ended 31 December 2017, Zhuhai New Materials was entitled to a preferential PRC CIT rate of 15% as it was accredited as "High and New Technology Enterprise" from 10 October 2015 to 10 October 2018.

The major components of income tax expense for the year are as follows:

	2017	2016
	RMB'000	*RMB'000*
Current — Mainland China Charge for the year	**3,924**	2,413
Deferred	**(231)**	35
Total tax charge for the year	**3,693**	2,448

A reconciliation of the tax expense applicable to profit before tax at the applicable tax rates for the jurisdictions in which companies within the Group are domiciled to the tax expense at the effective tax rate is as follows:

	2017	2016
	RMB'000	*RMB'000*
Profit before tax	**17,719**	8,829
Add: disallowed expenses incurred by the Company*	**5,765**	6,711
Profit before tax generated by Hong Kong and PRC subsidiaries	**23,484**	15,540
At the applicable tax rates		
— 15%	**3,559**	2,354
— 16.5%	**(40)**	(25)
Expenses not deductible for tax	**82**	94
Tax losses not recognised	**92**	25
Tax charge at the Group's effective tax rate	**3,693**	2,448

* Expenses incurred by the Company mainly consist of transaction costs relating to the Listing incurred by the Company. These expenses are not expected to be tax deductible.

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the Company for the year of RMB14,026,000 (2016: RMB6,381,000), and on the assumption that 360,000,000 shares of USD0.01 each issued and issuable comprising 11,100 shares in issue and 359,988,900 shares issued pursuant to the capitalisation issue as set out in note 14(a) as if the shares had been in issue throughout the year (2016: 359,999,749 shares, comprising weighted average number of shares in issue of 10,849 shares during 2016 and 359,988,900 shares issued pursuant to the capitalisation issue as set out in note 14(a)), and the weighted average number of 53,917,808 ordinary shares of the Company issued upon the completion of the listing of the Company, as further detailed in note 14(b).

No adjustment has been made to the basic earnings per share amount presented for the year 2017 in respect of a dilution as the Group had no potential dilutive ordinary shares in issue during the year.

8. TRADE AND BILLS RECEIVABLES

	2017	2016
	RMB'000	*RMB'000*
Trade receivables	**95,633**	61,605
Less: Impairment	**(3,814)**	(2,301)
	91,819	59,304
Bills receivable	**—**	769
	91,819	60,073

The Group's trading terms with its customers are mainly on credit. The credit periods generally range from one to six months for major customers. Trade receivables from small and new customers are normally expected to be settled shortly after the delivery of goods. No credit period is set by the Group for small and new customers.

The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade and bills receivables as at the end of the reporting period, based on the billing date and net of impairment, is as follows:

	2017	2016
	RMB'000	*RMB'000*
Within 3 months	**42,778**	30,263
3 to 6 months	**28,098**	18,636
6 to 12 months	**10,806**	9,745
1 to 2 years	**10,137**	1,429
	91,819	60,073

At 31 December 2017, retentions held by customers for contract works included in trade receivables amounted to approximately RMB2,227,000 (2016: RMB1,424,000) included in the Group's trade receivable balance).

9. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2017	2016
	RMB'000	*RMB'000*
Prepayments to suppliers	**3,104**	2,584
Deposits	**55**	—
Deferred listing fees*	**—**	3,084
Due from related parties	**2,478**	—
Other receivables	**1,482**	753
	7,119	6,421

* Deferred listing fees represent legal and other professional fees relating to the Listing and they have been deducted from equity when the Company completed the Listing.

10. TRADE AND BILLS PAYABLES

An aging analysis of the trade and bills payables as at the end of the reporting period, based on the purchase recognition date, is as follows:

	2017	2016
	RMB'000	*RMB'000*
Within 6 months	**19,047**	18,079
6 to 12 months	**3,219**	4,376
1 to 2 years	**2,904**	384
2 to 3 years	**91**	109
Over 3 years	**170**	156
	25,431	23,104

The trade and bills payables are non-interest-bearing and are normally settled on three-month terms.

As at 31 December 2017, the Group's bills payable totalling RMB1,726,000 were secured by the pledged deposits amounting to RMB1,934,000 (2016: Nil).

11. OTHER PAYABLES AND ACCRUALS

	2017	2016
	RMB'000	*RMB'000*
Advances from customers	**2,120**	2,977
Accrued expenses	**1,250**	3,827
Payroll and welfare payable	**1,781**	1,407
Tax and surcharge payables	**15,376**	9,332
Payables related to property, plant and equipment	**2,052**	1,751
Due to related parties	**1,432**	1,987
Other payables	**545**	667
	24,556	21,948

12. DEFERRED TAX

The movements of deferred tax assets during the year are as follows:

Deferred tax assets

	Impairment on trade receivables *RMB'000*	**Impairment on property, plant and equipment** *RMB'000*	**Others** *RMB'000*	**Total** *RMB'000*
At 1 January 2016	207	290	114	611
Deferred tax credited/(charged) to profit or loss during the year *(note 6)*	139	(290)	186	35
At 31 December 2016 and at 1 January 2017	346	–	300	646
Deferred tax charged to profit or loss during the year *(note 6)*	227	–	4	231
At 31 December 2017	**573**	**–**	**304**	**877**

13. DEFERRED INCOME

	2017 ***RMB'000***	2016 *RMB'000*
At beginning of year	**812**	–
Government grants received during the year	**–**	888
Released to profit or loss *(note 4)*	**(91)**	(76)
	721	812

Deferred income represented government grants received by the Group in respect of the import of equipment and is released to profit or loss by annual instalment to match with the expected useful lives of the relevant assets.

14. SHARE CAPITAL

Shares

	2017	2016
	US$'000	*US$'000*
Authorised:		
10,000,000,000 (31 December 2016: 1,000,000) ordinary shares of US$0.01 each	**100,000**	10
Issued and fully paid:		
480,000,000 (31 December 2016: 11,100) ordinary shares of US$0.01 each	**4,800**	0.1
Equivalent to approximately RMB'000	**32,655**	1

During the year, the movements in issued capital were as follows:

	Number of shares in issue	**Issued capital**
		RMB'000
At 1 January 2016	10,000	1
Issue of Shares	1,100	—
At 31 December 2016 and 1 January 2017	11,100	1
Capitalisation Issue *(note (a))*	359,988,900	24,565
Initial Public Offering *(note (b))*	120,000,000	8,089
At 31 December 2017	480,000,000	32,655

Notes:

(a) Capitalisation Issue

Pursuant to the resolutions passed by the shareholders of the Company on 23 June 2017, the Directors were authorised to capitalise an aggregate amount of US$3,599,889 standing to the credit of the share premium of the Company and to appropriate such amount as capital to pay up in full at par 359,988,900 shares for allotment and issue to the persons whose names appear on the register of members of the Company at the close of business on 23 June 2017, in proportion to their then existing shareholdings in the Company, each ranking pari passu in all respects with the then existing issued shares ("Capitalisation Issue"). Capitalisation Issue had been completed immediately following the Listing Date.

(b) Initial Public Offering

On 21 July 2017, 120,000,000 ordinary shares of par value of US$0.01 each were issued at a price of HK$1.00 per share under the Hong Kong Public Share Offer. The proceeds of US$1,200,000 (equivalent to approximately RMB8,089,000) representing the par value, were credited to the Company's share capital. The remaining proceeds of HK$110,640,000 (equivalent to approximately RMB95,491,000) before share issue expenses of RMB7,647,000, were credited to the share premium account.

15. DIVIDENDS

At a meeting of the Directors held on 20 March 2018, the Directors recommended a final dividend of HK0.8 cents per share for the year ended 31 December 2017 (2016 final dividend: nil), subject to shareholders' approval at the forthcoming annual general meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group carries out research and development on, and manufactures and sells ITO film, Smart Light-adjusting Film, Smart Light-adjusting Glass and Smart Light-adjusting Projection System. The Group uses ITO film as one of the main materials for the development of downstream products, namely: (i) polymer dispersed liquid crystal film (i.e. Smart Light-adjusting Film); (ii) electronically switchable glass (i.e. Smart Light-adjusting Glass); and (iii) Smart Light-adjusting Projection System. The Group is one of the few integrated manufacturers in the PRC which produces and sells ITO film as well as a range of related downstream products.

ITO film can be applied for use in a variety of products including smart phones, GPS systems and other touch-screen devices and equipment such as automated teller machines. Our ITO film customers are primarily domestic touch-screen device manufacturers. Revenue from sales of ITO film was RMB15,377,000 for the year ended 31 December 2017, which represented an increase of RMB1,648,000 or 12.0%, from RMB13,729,000 for the same period in 2016.

Smart Light-adjusting Film is made from the integration of ITO film (which we manufacture in-house) and polymer dispersed liquid crystals. Smart Light-adjusting Film can be switched from a milky, cloudy, translucent and opaque state into a colourless and transparent state when electricity is applied to it, and may be applied to windows and glass to control the passing-through of light. Our Smart Light-adjusting Film customers are primarily construction companies and contractors of developers. Revenue from sales of Smart Light-adjusting Film was RMB30,709,000 for the year ended 31 December 2017, which represented a significant increase of RMB11,827,000 or 62.6%, from RMB18,882,000 for the same period in 2016.

Smart Light-adjusting Glass is manufactured by placing a layer of Smart Light-adjusting Film between two layers of glass. Smart Light-adjusting Glass permits a user to control the permeability of light through the glass by adjusting the voltage of electricity voltage applied to the Smart Light-adjusting Film fixed therein. Our Smart Light-adjusting Glass customers are primarily construction companies and contractors of developers. Revenue from sales of Smart Light-adjusting Glass was RMB34,256,000 for the year ended 31 December 2017, which represented an increase of RMB7,764,000 or 29.3%, from RMB26,492,000 for the same period in 2016.

Smart Light-adjusting Projection System makes use of project technology to project visual images onto projection screens. Such projection screens are manufactured using Smart Light-adjusting Products which is opaque when no power source is applied to it. Our Smart Light-adjust Projection System customers are primarily construction companies and commercial users. Revenue from sales of Smart Light-adjusting Projection System was RMB28,451,000 for the year ended 31 December 2017, which represented an increase of RMB4,663,000 or 19.6%, from RMB23,788,000 for the same period in 2016.

Our Group strives to manufacture and supply high quality products to our customers, and our Directors believe that our Group is a reputable supplier of ITO film and related downstream products in the PRC. Our key operating subsidiary was ranked as the leading manufacturer of Smart Light-adjusting Products and Smart Light-adjusting Projection Systems in the PRC in terms of market share by revenue in 2015. Leveraging on our current market position as a leading producer of Smart Light-adjusting Products and Smart Light-adjusting Projection Systems in the PRC in terms of market share, we experienced growth in business during the year ended 31 December 2017. The Group recorded a net profit of RMB14,026,000 for the year ended 31 December 2017, as compared to a net profit of RMB6,381,000 for the same period in 2016. After adjusting for the non-recurring Listing expenses of RMB5,523,000 attributable to the relevant period of 2017 (2016: RMB9,696,000), the net profit of the Group amounted to RMB19,549,000 (year ended 31 December 2016: RMB16,077,000).

OUTLOOK AND PROSPECTS

Our Directors believe that, as a market participant which is active in the technology sector, it is crucial for the business of our Group to devote substantial resources towards research and development (including identifying new materials and applications) which will advance or sustain its competitiveness in light of evolving market trends and customer preferences and needs. Further, our Directors believe that our Group's current market leading positions in the PRC by market share relating to its Smart Light-adjusting Products and downstream application (namely, the Smart Light-adjusting Projection System) is testimonial of sufficient market demand for its products and it is an opportune time to capitalise and realise its potential in overseas markets. As such, our Group intends to extend its footprint to overseas markets as well as develop production lines which cater for expected demand for its products.

The Shares of the Company were successfully listed on GEM on 21 July 2017 (the "Listing"). Our Directors believe that the net proceeds from the Listing will provide us with additional capital to implement our future plans, which would be conducive to increasing our competitiveness in the market in which we operate which will assist us in securing more customers and in turn assist us in achieving our goal of increasing our market presence and geographical reach both in the PRC and abroad. In addition, our Directors expect the Listing assist us to gain access to the capital market for the future growth of our Group.

FINANCIAL REVIEW

Revenue

Our revenue was RMB115,823,000 for the year ended 31 December 2017, which represented an increase of RMB24,936,000, or 27.4% from RMB90,887,000 for the same period in 2016. The increase was primarily attributable to increase of RMB11,827,000 and RMB7,764,000 in revenue from the sales of Smart Light-adjusting Films and Smart Light-adjusting Glass, respectively, which was driven by the increase in the sales volume.

Cost of sales and Gross Profit

Our cost of sales was RMB70,646,000 for the year ended 31 December 2017, which represented an increase of RMB14,562,000, or 26.0%, from RMB56,084,000 for the same period in 2016. The increase in cost of sales mainly reflected our increase in sales of Smart Light-adjusting Glass and Smart Light-adjusting Glass for the year ended 31 December 2017 as compared to the same period in 2016.

Our gross profit increased by RMB10,374,000 or 29.8%, from RMB34,803,000 for the year ended 31 December 2016 to RMB45,177,000 for the year ended 31 December 2017. Our gross profit margin increased slightly from 38.3% for the year ended 31 December 2016 to 39.0% for the year ended 31 December 2017.

Selling and distribution expenses

Our selling and distribution expenses were RMB9,618,000 for the year ended 31 December 2017, which represented an increase of RMB1,511,000, or 19%, from RMB8,107,000 for the same period in 2016. This increase was mainly attributable to increase in remuneration for sales and marketing employees based on sales performances and increase in expenses relating to our marketing efforts in business promotion and participation in exhibitions. As a percentage of revenue, the selling and distribution expenses was 8.3% for the year ended 31 December 2017, which remained steady as compared to 8.9% for same period in 2016.

Administrative expenses

Our administration expenses were RMB19,885,000 for the year ended 31 December 2017, which represented an increase of approximately RMB1,953,000, or 11%, from RMB17,932,000 for the same period in 2016. The increase was primarily attributable to the increase of RMB1,365,000 in the research costs charged for the year ended 31 December 2017 as compared to the same period in 2016. As a percentage of revenue, the administrative expenses decreased to 17.2% for the year ended 31 December 2017 from 19.7% for the same period in 2016.

Liquidity, Financial Resources and Capital Structure

Our primary use of cash is to satisfy our working capital and capital expenditure needs. Historically, our Group's use of cash has mainly been financed through a combination of cash received from the sales of our products and financial support from our Group's related parties.

As at 31 December 2017, our Group did not have any bank borrowings. Going forward, we believe our liquidity requirements will be satisfied using a combination of cash generated from operating activities, bank borrowings and proceeds from the Listing. Our Directors believe that in the long term, our Group's operation will be funded by internally generated cash flows and, if necessary, additional equity and/or debt financing.

Use of Proceeds from the Listing

The Shares of the Company were listed on GEM on 21 July 2017 with net proceeds received by the Company from the Share Offer in the amount of HK$93,500,000 after deducting underwriting commission and all related listing expenses. The net proceeds received from the Share Offer will be used in the manner consistent with that set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus of the Company dated 30 June 2017 ("Prospectus").

An analysis of the utilization of the net proceeds from the listing date up to 31 December 2017 is set out below:

	Planned use of net proceeds as stated in the Prospectus up to 31 December 2017 *HK$ million*	**Actual use of net proceeds up to 31 December 2017** *HK$ million*	**Actual balances of proceeds up to 31 December 2017** *HK$ million*
Overseas business expansion	1.1	0.4	0.7
Research and development of new materials and products	1.3	1.3	–
Purchase of machinery and equipment for production of anti-ambient screen	6.8	4.1	2.7
Enhancement to wide ITO film	4.3	–	4.3
Working capital	2.9	2.9	–

DIVIDEND

The Directors proposed a final dividend of HK0.8 cents per share (2016: Nil). The actual dividend payout ratio in each year will depend on the actual performance of the Group, the general industry and economic environment.

Gearing Ratio

The gearing ratio is calculated as net debt (comprises trade payables, other payables and accruals, and tax payable, less cash and cash equivalents and pledged deposits) at the end of the respective year divided by total equity. As at 31 December 2017, the Group's total cash and cash equivalents and pledged bank balances exceeded the total trade payables, other payables and accruals and tax payable. As such, no gearing ratio as at 31 December 2017 is presented. The gearing ratio as at 31 December 2016 was 50.6%.

Capital Commitments

The Group had capital commitments of RMB55,000 as at 31 December 2017 (31 December 2016: RMB10,000) relating to the purchase of plant and machinery.

Contingent Liabilities

As at 31 December 2017, the Group had no significant contingent liabilities (31 December 2016: Nil).

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURE OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, so far as the Directors are aware, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, have been notified to the Company and the Stock Exchange, are as follows:–

Long positions in the Shares of the Company

Name of Director(s)	Capacity/ Nature of Interests	Number of Shares held	Approximate percentage of shareholding *(Note 2)*
Mr. LIU Hongwei	Interest in a controlled corporation *(Note 1)*	328,757,060	68.5%

Notes:

1. Mr. LIU Hongwei is a controlling shareholder and Chairman and non-executive Director of the Company. He is deemed to be interested in the Shares to which Strong Eagle Holdings is interested in (through its indirect shareholding in Top Access Management Limited through China Singyes Solar Technologies Holdings Limited).

2. The percentage is calculated on the basis of 480,000,000 Shares in issue as at 31 December 2017.

Long positions in the shares of China Singyes Solar Technologies Holdings Limited *(Note 1)*

Name of Director(s)	**Capacity/ Nature of Interests**	**Number of Shares held**	**Approximate percentage of total registered share capital** *(Note 5)*
Mr. Liu Hongwei	Interest of a controlled corporation	313,176,750 *(Note 2)*	37.54%
	Beneficial interest	1,379,120 *(Note 3)*	0.17%
	Sub-total	314,555,870	37.71%
Mr. Sun Jinli	Beneficial interest	1,379,120 *(Note 4)*	0.17%

Notes:

1. China Singyes Solar Technologies Holdings Limited ("Singyes Solar") is listed in the Main Board of the Stock Exchange with stock code: 750. Singyes Solar is a holding company of the Company pursuant to the SFO.

2. 313,176,750 shares of Singyes Solar are held by Strong Eagle Holdings Ltd., whose share capital is 53% owned by Mr. Liu Hongwei (the non-executive Director and Chairman of the Company). Mr. Liu Hongwei is deemed to be interested in these shares by virtue of the SFO.

3. 1,379,120 share options of Singyes Solar are directly beneficially owned by Mr. Liu Hongwei. Among these share options, 455,082 share options' exercise price is HK$3.56 per share of Singyes Solar with exercise period from 23 January 2010 to 22 July 2019, 462,019 share options' exercise price is HK$3.56 per share of Singyes Solar with exercise period from 23 July 2010 to 22 July 2019, 462,019 share options' exercise price is HK$3.56 per share of Singyes Solar with exercise period from 23 July 2011 to 22 July 2019.

4. 1,379,120 share options of Singyes Solar are directly beneficially owned by Mr. Sun Jinli (an executive Director of the Company). Among these share options, 455,082 share options' exercise price is HK$3.56 per share of Singyes Solar with exercise period from 23 January 2010 to 22 July 2019, 462,019 share options' exercise price is HK$3.56 per share of Singyes Solar with exercise period from 23 July 2010 to 22 July 2019, 462,019 share options' exercise price is HK$3.56 per share of Singyes Solar with exercise period from 23 July 2011 to 22 July 2019.

5. The percentage is calculated on the basis of 834,073,195 shares in issue of Singyes Solar as at 31 December 2017.

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which was taken or deemed to have under such provisions of the SFO), or which was required to be recorded pursuant to Section 352 of the SFO, or as otherwise required pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

INTEREST IN COMPETING BUSINESSES

China Singyes Solar Technologies Holdings Limited ("Singyes Solar"), one of the controlling shareholders (as defined under GEM Listing Rules) of the Company, has entered into the deed of non-competition dated 23 June 2017 (the "Deed of Non-competition") in favour of the Company, details of which were set out in the Prospectus. Pursuant to the Deed of Non-competition, Singyes Solar has undertaken to our Company (for ourselves and as trustee for each of our subsidiaries) that with effect from the Listing Date, it shall not, and shall procure each of its close associates (other than our Group) shall not, whether on its own account or in conjunction with or on behalf of any person, firm or company and whether directly or indirectly, whether as a shareholder, director, employee, partner, agent or otherwise (other than being a director or shareholder of our Group or members of our Group), carry on or be engaged in, directly or indirectly, a business which is, or be interested or involved or engaged in or acquire or hold any rights or interest or otherwise involved in (in each case whether as a shareholder, partner, agent or otherwise and whether for profit, reward or otherwise) any business which competes or may in any aspect compete directly or indirectly with the business or which is similar to the business currently and may from time to time be engaged by our Group (including but not limited to the production and sale and businesses ancillary to any of the foregoing).

Since the Listing Date and up to the date of this announcement, none of the Directors, the controlling shareholders of the Company or their respective close associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group and any other conflicts of interest with the Group.

The controlling shareholders of the Company have confirmed to the Company that from the Listing Date and up to the date of this announcement, Singyes Solar and its respective close associates (as defined under the GEM Listing Rules) have complied with the undertakings contained in the Deed of Non-competition.

INTERESTS OF THE COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Octal Capital Limited ("Octal Capital") to be the compliance adviser. As informed by Octal Capital, neither Octal Capital nor any of its directors or employees or associates, has or may have, any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities), which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules, except for the compliance adviser agreement and the supplemental compliance adviser entered into between the Company and Octal Capital dated 30 August 2016 and 28 June 2017 respectively.

CORPORATE GOVERNANCE

The Directors recognises the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Directors consider that the Company has applied the principles and complied with all the applicable code provisions set out in the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules since the listing date.

Shareholders of the Company are encouraged to make their views known to the Group if they have issues with the Company's corporate governance and to directly raise any matters of concern to the chairman of the Board ("Chairman").

The following is a summary of the work performed by the Board or Board Committees in corporate governance function during the period from the listing date to 31 December 2017 :

(a) review the Company's policies and practices on corporate governance;

(b) review and monitor the training and continuous professional development of the Directors and senior management of the Group;

(c) review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) review and monitor the code of conduct applicable to employees and the Directors; and

(e) review the Company's compliance with the CG Code and disclosure in the corporate governance report.

CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has made specific enquiry of all Directors and all Directors confirmed that they have complied with the required standard of dealings and the code of conduct regarding directors' securities transactions adopted by the Company throughout the period from the listing date to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

As the ordinary shares of nominal value of US$0.01 each in the share capital of the Company (the "Shares") of the Company were listed on GEM on 21 July 2017, neither did the Company redeem nor did the Company or any of its subsidiaries purchase or sell any of the Company's listed securities after listing and up to the date of this announcement.

AUDIT COMMITTEE

The Company has established the Audit Committee on 21 July 2017 in compliance with Rule 5.28 of the GEM Listing Rules. Written terms of reference in compliance with paragraph C.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules has been adopted. Among other things, the primary duties of the Audit Committee are to review and supervise the Company's financial reporting process, internal control system and risk management system and to provide advice and recommendations to the Board on the appointment, reappointment and removal of external auditors.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Lee Kwok Tung Louis, Mr. Wei Junfeng and Dr. Li Ling. Mr. Lee Kwok Tung Louis is the chairman of the Audit Committee.

During the period from the listing date to 31 December 2017, two meetings of the Audit Committee were held to review the interim results and third quarterly results of the Group. The first meeting was attended by the Company's external auditor so that the members of the Audit Committee could exchange their views and concerns on the financial reporting process of the Group with the auditor.

Subsequent to the year under review and up to the date of this announcement, the Audit Committee has held two meetings and reviewed the accounting principles and practices adopted by the Group and discussed the financial reporting matters with senior management and the auditors of the Company relating to the preparation of the audited consolidated financial statements of the Group for the year ended 31 December 2017. This announcement has been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting principles and practices adopted by the Group and that adequate disclosure has been made.

The Audit Committee had also reviewed the effectiveness of internal controls for the year ended 31 December 2017. Such review covered financial, operational and compliance controls and risk assessment of the Group. The Board was satisfied that the effectiveness of the internal controls of the Group had been properly reviewed by the Audit Committee.

SCOPE OF WORK OF AUDITORS

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the related notes thereto for the year ended 31 December 2017 as set out in the preliminary announcement have been agreed by the Group's auditors, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 4 May 2018 to Wednesday, 9 May 2018 (both days inclusive), during which period no transfer of shares of the Company with be effected. In order to entitle to the attendance of the forthcoming annual general meeting of the Company, all share transfers documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, namely Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 3 May 2018.

The register of members of the Company will be closed from Tuesday, 15 May 2018 to Friday, 18 May 2018, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify for the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrars and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22 Hopewell Centre 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 14 May 2018.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is available for viewing on the websites of the Stock Exchange of Hong Kong Limited at http://www.hkexnews.hk and the Company's website at http://www.syeamt.com and the 2017 annual report of the Company containing all the information required by the Listing Rules will be despatched to the shareholders and published on the respective websites of the Company and the Stock Exchange of Hong Kong Limited in due course.

By Order of the Board of
China Singyes New Materials Holdings Limited
LIU, Hongwei
Chairman

Hong Kong, 20 March 2018

As at the date of this announcement, the non-executive director and the Chairman of the Company is Mr. Liu Hongwei; the executive directors of the Company are Mr. Sun Jinli, Mr. Zhao Feng, Mr. Zhang Chao and Mr. Tang Liwen; and the independent non-executive directors of the Company are Mr. Lee Kwok Tung Louis, Mr. Wei Junfeng and Dr. Li Ling.

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company (www.syeamt.com).